

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-387-E - ORDER NO. 2006-18
JANUARY 19, 2006

IN RE: Petition of the Office of Regulatory Staff to)	ORDER ESTABLISHING
Establish Dockets to Consider Implementing)	PROCEEDING AND
the Requirements of Section 1254)	REQUESTING
(Interconnection) of the Energy Policy Act of)	COMMENTS
2005.)	

The Office of Regulatory Staff (ORS) has requested that the Public Service Commission of South Carolina (the Commission) initiate a proceeding consistent with Section 1254 of the Energy Policy Act of 2005 (the Act) for those utilities over which this Commission has ratemaking authority. Additionally, ORS requests that the Commission issue a procedural order and solicit comments regarding Section 1254 of the Act.

According to the ORS Petition, Section 1254 of the Act requires each electric utility to make interconnection service available, upon request, to any electric consumer that the electric utility serves. Interconnection services are to be based on the standards developed by the Institute of Electrical and Electronics Engineers (IEEE), as they may be amended from time to time. Specifically, the Act references IEEE Standard 1547 for Interconnecting Distributed Resources with Electric Power Systems. In addition, according to ORS, Section 1254 of the Act requires that agreements and procedures be established such that the services offered promote the current best practices of

interconnection for distributed generation, including but not limited to practices stipulated in model codes adopted by associations of state regulatory agencies. Within one year of enactment (by August 8, 2006), states must begin to consider what standards will be required for this type of interconnection and must conclude consideration within two years of enactment (by August 8, 2007). If the Commission (or the state legislature) has already implemented or considered implementing the same or similar standard, then no action is required of the Commission.

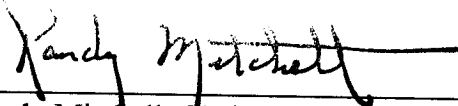
ORS states that, while this Commission has addressed issues such as interconnection equipment involving Qualifying Facilities (QFs) in Order No. 85-347, it recommends that the Commission open a docket to review any existing interconnection service requirements in light of Section 1254 and to solicit comments as to whether new rules or regulations should be adopted to fulfill the requirements of Section 1254. ORS further notes that Congress designated this Commission as the authority required to consider whether to implement these standards for those utilities over which the Commission has ratemaking authority. ORS recommends that this Commission establish a docket to address “Interconnection Services” pursuant to Section 1254 of the Act.

We agree with ORS that a proceeding to address “Interconnection Services” pursuant to Section 1254 of the Act should be established for those utilities over which the Commission has ratemaking authority, and we hereby establish said proceeding. Further, in order to address this matter, we hold that any interested entity may file comments on any aspect of Section 1254 in the offices of the Commission by the close of business on June 5, 2006. We believe that such comments would be helpful in this

Commission's determination of how to proceed in the area of interconnection service requirements. Following our review of the comments, we will make a determination as to how to proceed in this area.

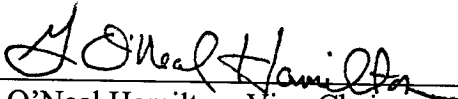
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice-Chairman

(SEAL)